

PROGRAM OPPORTUNITY NOTICE

**BUILDING ENERGY EFFICIENCY
RESEARCH & TECHNOLOGY GRANT
PROGRAM**



PON-12-503

<http://www.energy.ca.gov/contracts/index.html>

State of California
California Energy Commission
November 2012

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PIER General, University of California, and National Laboratory Terms and Conditions can be viewed at: www.energy.ca.gov/contracts/index.html

I. Introduction

PURPOSE OF PON

This California Energy Commission (Energy Commission) grant solicitation seeks proposals for both electricity and natural gas energy efficiency projects which affect residential and commercial buildings and communities. The Research, Development and Demonstration (RD&D) projects will be partially funded by the Energy Commission's Public Interest Energy Research (PIER) Program. Other funding will be provided by proposal match funds.

Energy efficiency has been identified as a major strategy for meeting California's growing energy needs. It is the least costly, most reliable, and most environmentally-sensitive strategy. California is the national leader in promoting energy efficiency. Due to its focus on energy efficiency, the per-capita electricity use in California is among the lowest in the nation.

This energy efficiency focus has been guided by state policy and legislation, especially the Integrated Energy Policy Report (IEPR)¹, the California Energy Efficiency Strategic Plan,² and various legislative directives such as Assembly Bill (AB) 32 (Núñez, Chapter 488, Statutes of 2006), AB 758 (Skinner, Chapter 470, Statutes of 2009), AB 1109 (Huffman and Feuer, Chapter 534, Statutes of 2007) and AB 2021 (Levine, Chapter 734, Statutes of 2006). To achieve the state's energy efficiency goals, the Building Energy Efficiency Research and Technology (BEERT) Grant Program supports RD&D projects aimed at reducing energy use, energy cost, peak demand, and greenhouse gas (GHG) emissions. The program invests in RD&D that develops, demonstrates, and helps commercialize energy efficient technologies, strategies and tools. The primary focus is to support applied research and demonstration of energy efficient technologies and systems, primarily targeting existing and planned buildings in the residential and commercial sectors.

Innovations in technology, construction practices, and building operations are needed to meet the state's aggressive energy efficiency, zero net energy (ZNE) building, and GHG emission reduction targets. This solicitation will fund RD&D innovations to help achieve these goals in the most cost-effective manner. This will require a wide ranging portfolio of electricity and natural gas efficiency research projects with near- and medium-term goals.

¹ <http://www.energy.ca.gov/energypolicy/index.html>.

² <http://www.cpuc.ca.gov/PUC/energy/Energy+Efficiency/eesp/>.

BACKGROUND

As stipulated in Senate Bill 1250 (Perata, Chapter 512, Statutes of 2006), the California Energy Commission's PIER Program funds RD&D to "develop, and help bring to market, energy technologies that provide increased environmental benefits, greater system reliability, and lower system costs." Research priorities are guided by the "loading order" of preferred energy resources and legislative mandates, such as the Renewables Portfolio Standard and the Global Warming Solutions Act of 2006 (Assembly Bill 32); the Energy Commission's *Integrated Policy Reports* (IEPRs); and the PIER Advisory Board. In August 2004, the California Public Utilities Commission (CPUC) issued Decision 04-08-010, which made funds available for public interest natural gas research and development projects. Public interest electric and natural gas research must conform to all of the following criteria:

- Advances science or technology
- Benefits California citizens
- Is not adequately addressed by competitive or regulated entities

The Buildings Energy Efficiency Research area within the PIER program focuses on lowering building energy use and peak demand in both new and existing residential and commercial buildings. By developing lower first-cost options and helping to lower operating costs for energy consuming systems, the research aims to increase the adoption of using energy efficient measures in California. Research and development efforts will also help the state reach its goal of ZNE buildings and inform future revisions of the Building Energy Efficiency Standards (Title 24, part 6) and the Appliance Energy Efficiency Standards (Title 20, Division 2, Chapter 4, Article 4).

In addition to supporting the state's energy efficiency policies and initiatives, the program supports improving affordability, reliability, health and safety, the economy, environmental outcomes, and consumer choices relevant to energy supply and use in California.

KEY ACTIVITIES AND DATES

Key activities including dates and times for this PON are presented below. An addendum will be released if the dates change for the asterisked (*) activities.

ACTIVITY	ACTION DATE
PON Release	November 1, 2012
Deadline for Written Questions*	November 8, 2012
Pre-Application Workshop*	November 8, 2012
Distribute Questions/Answers and Addenda (if any) to PON	November 16, 2012
Deadline to Submit Applications by 3:00 p.m.*	December 19, 2012
Clarification Interviews (if necessary)	January 2013
Anticipated Notice of Proposed Award Posting Date	February 2013
Anticipated Commission Business Meeting Date	May 2013
Anticipated Agreement Start Date	June 2013
Agreement Termination Date for Projects with Electricity Savings	March 31, 2015
Agreement Termination Date for Projects with Natural Gas Savings or projects with both Natural Gas and Electricity Savings**	Up to March 31, 2017

**For projects with both electricity and natural gas savings, the electricity portion of the project must be completed by March 2015.

AVAILABLE FUNDING AND HOW AWARD IS DETERMINED

There is up to **\$13.6 million** available for the grant agreements resulting from this PON. Of this amount, the following are the approximate maximum amounts for each of the target research areas (see also Attachment 16):

- \$9.6 million for Group A: Technology Innovations and Codes and Standards Advancement (\$1.6 million in electric funds and \$8 million in natural gas funds)
- \$4 million for Group B: Crosscutting Demonstrations: ZNE Buildings, Whole Building Integration and Low-Income Housing (\$3 million in electric funds and \$1 million in natural gas funds)

For Group A or B, the minimum PIER funding request is \$750,000 and the maximum PIER funding request is \$2 million.

Each proposal will be scored against the scoring criteria in Attachment 14 for Group A proposals and Attachment 15 for Group B proposals, and must have its scope of work (SOW) and budget prepared as indicated in Attachments 2, 3, and 5.

Proposals submitted for Group A and Group B will be scored independently and there will be two ranked lists, one for each group. The ranked lists will be developed based on the proposal scores. Proposals will be recommended for funding based on their scores. Funding will be recommended first with the highest ranked proposals in each list, and move down the list until all funds in that group are awarded. The last proposal will receive the remaining funds, which may not be equal to the requested amount and could be less than \$750,000. The recipient will have the opportunity to revise the scope of work to match the reduced funding or increase match funding to keep the initially proposed budget and scope unchanged. Any change must be reviewed and approved by the Energy Commission.

If the requested funds for **Group A projects** having only electric benefits exceed the amount of PIER electric funds available for this solicitation (up to \$1,600,000), or if the requested funds for projects having only natural gas benefits exceed the amount of PIER natural gas funds available for this solicitation (up to \$8,000,000), the Energy Commission may seek to augment the level of PIER electric and/or natural gas funding. However, if no additional funds are available, the Energy Commission reserves the right to:

- a) not fund proposals with electricity benefits once all PIER electric funds have been allocated to the highest-ranked electricity proposal(s), and
- b) not fund proposals with natural gas benefits once all PIER natural gas funds have been allocated to the highest-ranked natural gas proposal(s).

This may result in higher scoring natural gas projects not being funded while lower scoring electricity projects are funded, or vice versa. The Energy Commission reserves the right to make the final determination on how to allocate electricity and natural gas funding.

If the number of passing proposals exceeds the total maximum funds available, not all passing proposals will be recommended for funding. Funds can be moved from Group A to Group B, and vice versa, if there is an insufficient number of passing proposals to use all the allocated funds in that group.

Competitive Solicitation: Applicants will compete based on selection criteria and are scored and ranked based on those criteria. The highest scoring applicants will receive funding.

The Energy Commission reserves the right to reduce the agreement amount to an amount deemed appropriate in the event the budgeted funds do not provide full funding of Energy Commission agreements. In this event, the Recipient and Commission Agreement Manager (CAM) shall meet and reach agreement on a reduced scope of work commensurate with the level of available funding.

II. Eligibility Requirements

ELIGIBLE APPLICANTS

This is an open solicitation for private entities, non-profit organizations, the University of California, California State University Foundations, the U. S. Department of Energy National Laboratories, and other public sector entities who are actively involved in electricity and/or natural gas energy efficiency RD&D. Each grant agreement resulting from this solicitation includes PIER terms and conditions which set forth the recipient's rights and responsibilities. Private sector entities must agree to use PIER standard terms and conditions. The University of California, or U.S. Department of Energy National Laboratories must use either the standard or the pre-negotiated terms and conditions under (www.energy.ca.gov/contracts/index.html). The Energy Commission will not award contracts to non-compliant entities. The Energy Commission reserves the right to modify the terms and conditions prior to executing grant agreements.

Each proposal will include a prime contractor with technical and administrative responsibilities for all tasks. The prime contractor may submit a proposal that consists of multiple tasks that will be undertaken by its own firm or by other team members (e.g., subcontractors) as applicable, as described in Section 6. The prime contractor must be technically knowledgeable of all tasks in its proposal, even those assigned to subcontractors. An organization/entity may submit: a) one proposal for Groups A or B or b) one proposal each for Group A and Group B. Multiple proposals from the same organization/entity for Groups A or B will result in disqualification of both proposals. For example, if contractor A submits two proposals for Group A, both proposals will be disqualified.

An organization/entity can submit one proposal for Group A or B, or one proposal each for Group A and Group B. For this PON, an organization/entity is defined as follows:

- University of California: each campus is considered an entity/organization (e.g., UC San Diego).
- California State University: each campus is considered an entity/organization (e.g. CSU Long Beach)
- Governmental agencies:
 - State of California: each department is considered an entity/organization
 - Local Governments/special districts: each governing body is considered an entity/organization (e.g., City of Stockton)
 - Federal: each agency (e.g., Department of Defense) or national lab is considered an entity/organization (e.g., Lawrence Berkeley National Laboratory)
- Private companies or non-profits: each company or non-profit is considered an entity (e.g., ABC Group; Southern University). A company or non-profit with multiple office locations will count as one organization/entity. For instance, ABC Group has multiple locations in California, only one of the offices can submit a proposal for Group A or B or one proposal each for Group A and Group B.

If needed, researchers are encouraged to partner with others and aggregate their work under a single proposal to maximize synergies and agreement efficiencies. Task aggregation can be done by common technology areas, along programmatic lines, or by any other means as long as the proposal has a clear organizational, administrative and technical structure that meets the requirements of this solicitation.

Prime contractors cannot be subcontractors on other teams within the same group. A subcontractor can be on multiple teams for different tasks and projects. A subcontractor cannot be on multiple teams for the same tasks and projects. The subcontractor restriction does not apply to minor subcontractors or Disabled Veteran Business Entities that are minor subcontractors.

California-Based Entities

Pursuant to AB 2267 (Fuentes, 2008), the Energy Commission's Public Interest Energy Research Program must give a priority to "California-based entities" (CBEs) when making awards. Therefore, CBEs and/or government entities located and operating in California (such as school districts, special districts, and state, federal and local governments) must receive at least 60 percent of the PIER funds (see Attachments 12 and 13).

California Secretary of State Registration

CBEs and non-CBEs conducting intrastate business in California are required to register and be in good standing with the California Secretary of State in order to enter into a funding agreement with the Energy Commission. If not currently registered with the California Secretary of State, Applicants are encouraged to contact the Secretary of State's Office as soon as possible to avoid potential delays in beginning the project if successful. For more information, visit the California Secretary of State's website at www.sos.ca.gov.

Funds Spent in California

At least 60% of PIER funds must be spent in California on expenses that fall within the categories identified in Attachment B-2 (Category Summary) of Attachment 5 (Budget Forms). These expenses include direct labor, fringe benefits, equipment, materials/miscellaneous, minor subcontractors, indirect overhead, general and administrative costs, and travel costs with the exception of travel for meetings such as conferences, workshops, seminars, and symposiums (please see the discussion of travel costs in the "Match Funding Requirements" section below).

"Spent in California" means that:

- Funds under the "Direct Labor" category and all categories calculated based on direct labor in the B-4 budget attachments (Prime and Subcontractor Labor Rates) are paid to individuals that perform the work funded by the agreement while they are physically present in California. For example, if an individual is physically present in California for 20% of the time in which he or she performs work under the agreement, 20% of the direct labor funds and funds from categories based on direct labor (e.g., fringe benefits) are considered "spent in California" for that individual.
- Business transactions (e.g., material and equipment purchases, leases, and rentals) will be entered into with a business located in California.

Airline ticket purchases are not considered funds "Spent in California."

ELIGIBLE PROJECTS

The Energy Commission is seeking proposals for research projects that achieve the following goals:

- Advance the energy efficiency of new and existing residential and commercial buildings
- Reduce electricity and/or natural gas use, energy cost, peak demand, and GHG emissions
- Stimulate California's economic growth by attracting and developing businesses and creating and supporting jobs in California

- Advance the state of technologies in the chosen area
- Provide clear market connections for the proposed research with direct benefits to electricity and/or natural gas ratepayers in California
- Advance energy and/or water efficiency technologies by documenting savings and cost-effectiveness
- Advance Title 24 (buildings) and Title 20 (appliances) Codes and Standards by expanding compliance or credit options

All proposed projects in the following groups (A or B) must meet the following requirements:

- Fall within one of the targeted research areas in Attachment 16
- Advance state-of-the-art technologies that are not adequately supported by the competitive market or regulated sector
- Clearly describe how the project may lead to technological advancement or breakthroughs to overcome barriers to achieving the state's energy policy goals
- Have the potential to be economically feasible
- Have the support of industry and/or utilities with a clear path to market
- Not duplicate other research, development or demonstration projects
- Demonstrate direct benefits to California electric and/or natural gas ratepayers
- Demonstrations must be in California in an investor-owned utility service area³
- Maximize funds for research, development and/or demonstration and minimize expenditure of funds for administration and overhead
- Invest a significant amount of PIER funds in California with the goal of maximizing PIER funds to a "locally grown" workforce that would result in funding to California companies and researchers

Targeted research areas for residential and commercial buildings are as follows:

Group A: Technology Innovations and Codes and Standards Advancement

Examples of Potential Research (See Attachment 16 for more details on targeted research areas)

- Document the benefits (e.g., energy savings, water savings, peak demand reduction potential), cost-effectiveness, efficacy and commercial potential for promising advancements in technologies, methods, tools and innovations that create greater energy efficiency in residential and commercial buildings and their components, systems, controls, and sites.

³ **California investor-owned utilities** include: Pacific Gas and Electric Company, Southern California Edison, Southern California Gas Company and San Diego Gas and Electric.

- Demonstrate new advanced systems, equipment, controls, methods, tools, and/or building component manufacturing processes that will significantly increase energy and/or water efficiency over current commercially available or standard practice. Ideally, these systems, equipment, controls, methods and components have the potential for commercialization or adoption into the building or appliance energy efficiency standards within a 3- to 5-year time frame. For codes and standards advancement, develop, test, and validate algorithms that can accurately model unique or innovative advanced energy efficient systems and components. Develop and establish design and installation protocols for these innovative systems and components.
- Develop or demonstrate innovative and verifiable approaches to energy efficient community-scale planning that results in more energy efficient buildings and/or achieves economies of scale in creating or moving California towards ZNE residential and/or commercial buildings.

Applicability

Potential research areas for Group A may include, but not be limited to equipment, controls, and systems for the following:

- Advanced building envelope, including innovative sealing systems
- Lighting, including controls, and daylighting
- Advanced heating, ventilating and air conditioning (HVAC), including controls, high efficiency and ultra-low-NOx units, and hybrid cooling systems using natural gas and renewable energy
- Miscellaneous electric/natural gas devices (e.g., plug loads)
- Advanced domestic hot water systems, including distribution, multi-tank systems, improved showerheads, pipe losses, high efficiency and ultra-low-NOx units, and advanced solar systems
- Food service, such as high efficiency commercial cooking equipment
- Building site irrigation and controls
- Water end-use appliances such as commercial clothes washers and dish washers
- Community-scale design approaches that achieve economies of scale for energy efficiency and integration of renewable energy in buildings
- Design and installation protocols and/or verified and tested computer algorithms that allow for advanced or unique combinations of existing technologies or methods to be included for consideration as future Title 24 compliance options or credits

Group B: Cross Cutting Demonstrations: ZNE Buildings, Whole Building Integration and Low-Income Housing

Types of Demonstrations (See Attachment 16 for more information on targeted research areas)

- Design, build, and/or demonstrate the efficacy and cost-effectiveness of installing an integrated package of advanced emerging technologies and design approaches in new or existing residential or commercial buildings that will result in a ZNE building or Very Efficient Retrofits⁴, with the potential of being replicated throughout California.
- Demonstrate cost-effective low-income/multifamily housing new construction and retrofit packages, practices, and strategies that significantly exceed current Title 24 Energy Code. For new construction demonstrations, the building(s) must be designed to be at least 30 percent better than baseline 2008 Title 24 Energy Code compliant building(s) on an energy use basis and also achieve zero net energy. The primary goal for new construction is zero net energy (ZNE) building use on an annual basis for both electric and natural gas. The goal for the retrofits or renovations of existing buildings is to show substantial reduction in total facility energy use from existing conditions while also exceeding current Title 24 Energy Code for the applicable measure(s).

Applicability

This demonstration is applicable to existing and/or planned residential or commercial buildings, or single- and multi-family affordable low-income housing.

California Environmental Quality Act (CEQA)

Some proposals selected for funding may meet the definition of a “project” for purposes of the California Environmental Quality Act (CEQA) (see Public Resources Code section 21000 et seq.). If this occurs, the Energy Commission’s legal staff will review the project to determine whether an exemption applies that would prevent further actions under CEQA. If no exemption applies, certain CEQA requirements (e.g., preparation of a negative declaration or environmental impact report) will have to be met prior to the Energy Commission approving the grant. The Applicant must pay the cost for these activities. Please refer to Title 20, California Code of Regulations, Chapter 6, Article 1, including section 2308.

For general information about CEQA, please visit the California Natural Resources Agency’s CEQA website at <http://ceres.ca.gov/ceqa/>.

MATCH FUNDING REQUIREMENTS

“Match funding” includes equipment, materials, information technology (IT) services, travel, subcontractor costs, and cash. Match funding does not include in-kind prime contractor labor. Match funds may come from the prime contractor, subcontractors, or demonstration sites. Match funding does not need to be spent in California.

⁴ Very Efficient Retrofits are those that result in deep reductions in energy use and that significantly go beyond the current energy efficiency standards.

Funding awards already earned or received from other agencies for the proposed technologies (but not for the same work and not yet spent) count as "cash in hand" for the prime contractor, and this funding is acceptable as match since it is already in the prime contractor's possession. The "cash in hand" funds must be used exclusively for the project that PIER funds are being requested for. As applicable, proof that the funds exist as cash is required at the project kick-off meeting, and detailed invoices must be submitted to account for its expenditure during the project term. Under no circumstances will future, contingent awards from other entities be counted as match funds. Match funds must be spent during the duration of the proposed project term, either before or concurrently with PIER grant funds.

Applicants must provide match funding for proposed projects as specified in the following sections:

a) Group A: Technology Innovations and Codes and Standards Advancement:

1. No minimum match funding is required.
2. Provision of match funding as described in this section will receive bonus points as indicated in Attachment 14, Criterion 8. The bonus points will only be applied to those applicants meeting the minimum passing score of 70 points.

b) Group B: Crosscutting Demonstrations: ZNE Buildings, Whole Building Integration and Low-Income Housing:

1. PIER funding can be requested only for the incremental project cost⁵ (see Attachment 15, Criterion 5 for how to determine the incremental project cost).
2. The applicant must provide a minimum 40% percent match funding of the incremental project cost. Applicants providing match funding in excess of 40 percent will receive bonus points, as indicated in Attachment 15, Criterion 8. The bonus points will only be applied to those applicants meeting the minimum passing score of 70 points.
3. Match funds for Incremental Costs for Group B projects can include awards, incentives, rebates, or cash, including but not limited to utility rebate and incentive programs (e.g., New Solar Homes Partnership, California Solar Initiative, Savings by Design, emerging technology) or other funding from federal, state, or local government programs. These match funds must be applicable to buildings that are located in Investor Owned Utility service territories. The Applicant must conclusively show proof that it and/or its proposal team members have one or more actual or pending awards from any of these programs.

Equipment Purchased with PIER or Match Funding

"Equipment" is defined as an item with a unit cost greater than \$5,000 and a useful life greater than one year. **Purchasing equipment with match funding is encouraged** because there are no disposition requirements at the end of the project for equipment purchased with match funding. The grant recipient may continue to use equipment purchased with PIER funds after the project is completed if the use is consistent with the intent of the original grant Agreement. See the following link (<http://www.energy.ca.gov/contracts/index.html>) for the equipment disposition provision.

⁵ "Incremental project cost" is the difference between the proposed ZNE project cost and the cost of building or retrofitting the facility to meet the minimum state energy efficiency standards (Title 24, Part 6).

Travel Costs

Only the following travel costs can be reimbursed with PIER funds:

- Travel associated with Task 1 – Administration
- Travel directly associated with technical tasks (e.g., costs for monitoring and verification activities)

Any travel to meetings such as conferences, workshops, seminars, and symposiums must be paid for with match funds or out-of-pocket funds, and cannot be paid for with PIER funds.

PRE-APPLICATION WORKSHOP

There will be one Pre-Application Workshop; participation in this meeting is optional but encouraged. The Pre-Application Workshop will be held through in-person participation, WebEx, and conference call at the date, time and location listed below. Please call (916) 654-4381 or refer to the Energy Commission's website at www.energy.ca.gov/contracts/index.html to confirm the date and time.

November 8, 2012
1:30 pm Pacific Standard Time (GMT-21:30)
California Energy Commission
Hearing Room A, First Floor
1516 9th Street
Sacramento, CA 95814

To join the WebEx meeting, click the following link and enter the meeting number and password provided below:

Topic: Buildings Energy Efficiency Research and Technology Grant Program Workshop

Meeting Number: 926 849 838

Meeting Password: meet@130

COMPUTER LOGON WITH A DIRECT PHONE NUMBER

1. Please go to <https://energy.webex.com> and enter the unique meeting number: 926 849 838
2. When prompted, enter your information and the following meeting password: meet@130
3. After you login, a prompt will appear on-screen for you to provide your phone number. In the Number box, type your area code and phone number and click OK to receive a call back on your phone for the audio of the meeting. International callers can use the "Country/Region" button to help make their connection.

COMPUTER LOGON FOR CALLERS WITH AN EXTENSION PHONE NUMBER, ETC.

1. Please go to <https://energy.webex.com> and enter the unique meeting number: 926 849 838
2. When prompted, enter your information and the following meeting password: meet@130
3. After you login, a prompt will ask for your phone number. CLICK CANCEL.
4. Instead call **1-866-469-3239** (toll-free in the U.S. and Canada). When prompted, enter the meeting number above and your unique Attendee ID number which is listed in the top left area of your screen after you login. International callers can dial in using the "Show all global call-in numbers" link (also in the top left area).

TELEPHONE ONLY (NO COMPUTER ACCESS)

1. Call **1-866-469-3239** (toll-free in the U.S. and Canada) and when prompted enter the unique meeting number above. International callers can select their number from <https://energy.webex.com/energy/globalcallin.php>

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TECHNICAL SUPPORT

For help with problems or questions trying to join or attend the meeting, please call WebEx Technical Support at 1-866-229-3239.

System Requirements: To see if your computer is compatible, visit <http://support.webex.com/support/system-requirements.html>

Meeting Preparation: The playback of UCF (Universal Communications Format) rich media files require appropriate players. To view this type of rich media files in the meeting, please check whether you have the players installed on your computer by going to <https://energy.webex.com/energy/systemdiagnosis.php>

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For assistance before the meeting, you may also contact Felix Villanueva at felix.villanueva@energy.ca.gov

QUESTIONS

During the PON process, questions of clarification about this PON must be directed to the Grants Officer listed in the following section. You may ask questions at the Pre-Application Workshop, and you may submit written questions via mail, electronic mail, and by FAX. However, all questions must be received by 5:00 pm (Pacific Standard Time) on the date listed in the Key Activities and Dates table earlier in this solicitation.

Question and answer sets will be e-mailed to all parties who attended the Pre-Application Workshop and provided their contact information on the sign-in sheet. The questions and answers will also be posted on the Commission's website at: <http://www.energy.ca.gov/contracts/index.html>.

Any verbal communication with a Commission employee concerning this PON is not binding on the State and shall in no way alter a specification, term, or condition of the PON. Therefore, all communication should be directed in writing to the Energy Commission's Grant Officer assigned to the PON.

CONTACT INFORMATION

Michael Poe, Grants Officer
California Energy Commission
1516 Ninth Street, MS-18
Sacramento, California 95814
Telephone: (916) 654-4809
FAX: (916) 654-4423
E-mail: Michael.Poe@energy.ca.gov

REFERENCE DOCUMENTS

Applicants responding to this PON may want to familiarize themselves with the following documents:

- The 2011 PIER Report (Publication # CEC-500-2012-003-CMF)
- The Natural Gas Research, Development and Demonstration Program (Publication # CEC-500-2011-029)

These are available on the CEC website: <http://www.energy.ca.gov/publications/index.php>

Additionally, applicants may also view previous energy efficiency workshops concerning building research initiatives:

- February 23, 2012, Workshop on Potential Research Topic Areas for Upcoming Building Energy Efficiency Solicitation.
<http://www.energy.ca.gov/research/notices/index.html#02232012>
- August 31, 2011, Staff Workshop on Potential Research Topic Areas for Upcoming Building Energy Efficiency Solicitation
<http://www.energy.ca.gov/research/notices/index.html#08312011>

All above reference documents are on display and available for review in the Energy Commission's Library. Library hours are Monday - Friday from 8:30 a.m. to 4:30 p.m., closed for lunch 12:00-1:00p.m. The Library is located at: California Energy Commission, 1516 Ninth Street, First Floor, Sacramento, CA 95814, (916) 654-4292.

III. Application Format, Required Documents, and Delivery

ABOUT THIS SECTION

This section contains the format requirements and instructions on how to submit an application. The format is prescribed to assist the Applicant in meeting State requirements and to enable the Commission to evaluate each application uniformly and fairly. Applicants must follow all Application format instructions, answer all questions, and supply all requested data.

REQUIRED FORMAT FOR AN APPLICATION

All applications submitted under this PON must be typed or printed using a standard 11-point font, singled-spaced with a blank line between paragraphs. Paper size must be standard 8.5 x 11. Pages must be numbered and sections titled and printed back-to-back. Spiral or comb binding is preferred and tabs are encouraged. Binders are discouraged. The original application should be bound only with a binder clip. The maximum number of pages for Section I and Section 2 combined is 70 pages. The following are included in the 70 pages:

- Executive Summary
- Table of Contents
- Project Narrative
- Project Team Summary
- Scope of Work
- Schedule of Products and Due Dates

NUMBER OF COPIES

Applicants must submit the original and 8 copies of the application (Sections 1 and 2).

Applicants must also submit electronic files of the application on [CD-ROM or USB memory stick](#) along with the paper submittal. Only one CD-ROM or USB memory stick is needed. Electronic files must be in Microsoft Word XP (.doc format) and Excel Office Suite formats. Completed Budget Forms, Attachment 5, must be in Excel format. Electronic files submitted via e-mail will not be accepted.

PACKAGING AND LABELING

The original and copies of the application must be labeled "Program Opportunity Notice 12-503," and include the title of the application.

Include the following label information and deliver your application, in a sealed package:

Contact Person's Name, Phone #
Applicant's Name
Street Address
City, State, Zip Code
FAX #

PON #12-503
Contracts, Grants & Loans Office, MS-18
California Energy Commission
1516 Ninth Street, 1st Floor
Sacramento, California 95814

PREFERRED METHOD FOR DELIVERY

An Applicant may deliver an application by:

- U. S. Mail
- In Person
- Courier service

Applications must be delivered **no later than 3:00 p.m. (PST)**, to the Commission Contracts, Grants and Loans Office during normal business hours and prior to the date and time specified in this PON. In accordance with Public Contract Code 10344, applications received after the specified date and time are considered late and will not be accepted. There are no exceptions to this law. Postmark dates of mailing, E-mail and facsimile (FAX) transmissions are not acceptable in whole or in part, under any circumstances.

ORGANIZE YOUR APPLICATION AS FOLLOWS

SECTION 1, Administrative Response

Table of Contents

Application Form

Attachment 1 and any addendums

SECTION 2, Technical and Cost Application

Project Narrative

Executive Summary

Scope of Work and Schedule

Attachment 4. See also SOW Instructions, Attachment 2.

Project Team

Budget Forms

Attachment 5. See also E below.

Previous Work Products (Optional)

Prevailing Wage Special Condition

Attachment 7

Prevailing Wage Compliance
Certificate

Attachment 8

Prevailing Wage Q&A Compliance Information	Attachment 9
CEQA Compliance Form	Attachment 10
Client References	Attachment 11
California Based Entities Questionnaire Form	Attachment 13

A. Application Form

Applicants must include a complete and signed Application Form shown in Attachment 1. The proposal must include an original Application Form signed by an authorized representative of the Applicant's organization. This signature certifies that all information in the application is correct and complete to the best of the applicant's knowledge AND that the applicant has read the Terms and Conditions, and will accept them without negotiation if awarded.

The Application Form shall also include, at a minimum, a project description, project goals, and quantitative and measurable objectives to be achieved.

B. Executive Summary and Project Narrative

1. The Executive Summary must include at a minimum, project description, the goals and project objectives to be achieved, how these will be achieved, quantified and measured, and the tasks in the proposal and overall management of the agreement. **The maximum length of the Executive Summary is four (4) pages.**
2. The Project Narrative must include a detailed description of the proposed project(s), as it relates to the scoring criteria in either Attachments 14 or 15, including goals and objectives, the entity that will oversee, own and operate the proposed project(s), status of the research, why public funds are needed, and how the project will directly benefit electric and/or natural gas ratepayers with justification for the benefits. The description of activities proposed in the Project Narrative must conform to the Tasks described in the Scope of Work. **The maximum length of the Project Narrative is fifteen (15) pages.**

C. Scope of Work and Schedule of Products and Due Dates

Applicants must include a completed Scope of Work and Schedule of Products and Due Dates for each project using the templates contained in Attachment 3 and Attachment 4, respectively.

All electric related research work must be completed by March 31, 2015. Projects with natural gas benefits or a combination of electric and natural gas benefits must be completed by March 31, 2017; however the electric portion must be completed by March 31, 2015. Demonstration projects under Group B must include a measurement and verification plan that will include up to one year of data collection and reporting. Implementation of the plan may extend beyond the grant termination date. Instructions for completing the Scope of Work as well as a sample are included in Attachment 2. **Electronic files for the Scope of Work must be in MS Word.**

Instructions for the Schedule of Products and Due Dates are included in the document template (Attachment 4). **Electronic files for the Schedule of Products and Due Dates must be in MS Excel.**

D. Project Team

1. Identify, by name, all key personnel assigned to the project, including the project manager, and clearly describe their individual areas of responsibility. The project manager is the one individual responsible for interacting with the Energy Commission CAM on all issues relating to the overall project and coordinating all aspects of work under the project.
2. For each individual, include company, position title, job description, individual resume (maximum of two pages), and contact information.
3. Include a letter of commitment from each key project partner.
4. Provide a list of past projects detailing relevant technical and business experience.

E. Budget Forms

Task Summary	Attachment 5, Att B-1
Category Summary	Attachment 5, Att B-2
Prime Labor Rates	Attachment 5, Att B-3
Labor Rates for each Subcontractor	Attachment 5, Att B-3a-z
Prime Non-Labor Rates	Attachment 5, Att B-4
Non-Labor Rates for each Subcontractor	Attachment 5, Att B-4a-z
Direct Operating Expenses	Attachment 5, Att B-5
Match Funding	Attachment 5, Att B-6
Prime Loaded Rates	Attachment 5, Att B-7
Loaded Rates for each Subcontractor	Attachment 5, Att B-7a-z
Rates Summary	Attachment 5, Att B-8

The applicant must submit information on **all** of the budget forms in Attachment 5, and this will be deemed the equivalent of a formal Cost Application. Detailed instructions for completing these forms are included at the beginning of Attachment 5 (Budget Forms).

Rates and personnel shown must reflect rates and personnel the applicant will charge if chosen as the Recipient for this PON. The salaries, rates, and other costs entered on these forms become a part of the final agreement.

The entire term of the agreement and projected rate increases must be considered when preparing the budget. The rates bid are considered capped and shall not change during the term of the agreement. The Recipient will only be reimbursed for its **actual** rates up to these rate caps. The hourly rates provided in all B-3s (Att B-3, Att B-3a-z) must be unloaded (before fringe benefits, overheads, general and administrative [G&A]).

NOTE: The information provided in these forms will **not** be kept confidential.

F. Budget Information

1. All project expenditures (match share and reimbursable) must be expended within the approved term of the funding agreement. The requirements for match share funding are included earlier in this solicitation.
2. The Budget should allow for the expenses of a Kick-off Meeting, at least one (1) Critical Project Review meeting, and a Final meeting. It is anticipated that meetings will be conducted at the Energy Commission located in Sacramento, CA.
3. Applicants should budget for permits, insurance, etc. The Energy Commission will not pay for permitting, but it should be accounted for in match share.
4. The Budget should allow for the preparation and submission of monthly/quarterly progress reports (1-2 pages each) during the approved term of the agreement, and a Final Report. Instructions for preparing the Final Report will be provided to successful Applicants.
5. The purchase of equipment (defined as items with a unit cost greater than \$5,000 and a useful life of greater than one year) with Energy Commission funds will require disposition of purchased equipment at the end of the project. Typically, Grant Recipients may continue to utilize equipment purchased with Energy Commission funds as long as the use is consistent with the intent of the original Grant Agreement. *There are no disposition requirements for equipment purchased with match share funding.*
6. The Budget must reflect estimates for actual costs to be incurred during the approved term of the project. The Energy Commission can only approve and reimburse for actual costs that are properly documented in accordance with the Grant Terms and Conditions.
7. The Budget must not include any profit from the proposed project, either as a reimbursed item or as match share. Please review the Grant Terms and Conditions for additional restrictions and requirements.
8. In addition to budget attachments, Applicants must submit, as applicable for Group A projects, and for all Group B demonstration projects, letters of commitments identifying the sources and availability of any match funding.
9. Applicants must read and follow the instructions provided in the budget workbook and complete Attachments B-1 through B-6. Attachments B-7 and B-8 will automatically calculate based upon information from Attachments B-3 and B-4.

G. Previous Work Products

Each bidder shall provide no more than two examples. This will not affect the page maximum allowed. Submit only one copy of each example.

H. Prevailing Wage Special Condition

This condition identifies prevailing compliance requirement

I. Prevailing Wage Compliance Certificate

If the project requires payment of prevailing wages, the Recipient must: (1) complete and sign this certificate; and (2) obtain signatures from all of its contractors and any subcontractors involved in public works funded by this Agreement.

J. Information on Compliance with Prevailing Wages

This question and answer form clarifies the prevailing wage compliance

K. CEQA Compliance Form

Applicants must complete Attachment 10. The Energy Commission requires this information to assist its own determination under the California Environmental Quality Act (California Public Resource Code Section 21000 et.seq).

L. Client References

Please provide the required references.

M. California Based Entity Questionnaire Form

Please see Attachment 13 for further details.

IV. Evaluation Process and Criteria

ABOUT THIS SECTION

This section explains how the applications will be evaluated. It describes the evaluation stages, preference points, and scoring of all applications.

APPLICATION EVALUATION

An Applicant's application will be evaluated and scored based on their response to the information requested in this PON. The entire evaluation process from receipt of applications to posting of the Notice of Proposed Award is confidential.

To evaluate all Applications, the Energy Commission will organize an Evaluation Committee. The Evaluation Committee may consist of Energy Commission staff or staff of other California state entities. The Evaluation Committee might utilize technical expert reviewers to provide an analysis of applications.

The Applications will be evaluated in two stages:

Stage One: Administrative and Completeness Screening

The Grants Office will screen Applications for compliance with proposal requirements and the Grounds for Rejection sections of this solicitation. Applications that fail Stage One shall be disqualified and eliminated from further evaluation.

Stage Two: Technical and Cost Evaluation of Applications

Applications passing Stage One will be submitted to the Evaluation Committee to review and score based on the Evaluation Criteria in this solicitation.

During the evaluation and selection process, the Evaluation Committee may schedule a clarification interview with an Applicant that will either be held by telephone or in person at the Energy Commission for the purpose of clarification and verification of information provided in the application. However, these interviews may not be used to change or add to the contents of the original Application. Applicants will not be reimbursed for time spent answering clarifying questions.

A minimum score of 14 points (70 percent of the total possible 20 points) is required for criterion **one (1)** "Technical Merit and Need" for the application to be eligible for funding. Specific to this criterion, the Evaluation Committee will review the Project Narrative, Executive Summary, and Scope of Work in accordance with criterion one (1) in Attachments 14 or 15. The score will be the average of the combined scores of all Evaluation Committee members. Applications that do not meet the required minimum score of 14 points for criterion **one (1)** will be disqualified and eliminated from further evaluation.

Thereafter, the total score for each Application will be the average of the combined scores of all criteria from all Evaluation Committee members.

A minimum score of 70 points is required for the overall application to be eligible for funding. The Energy Commission will propose awards, starting with the highest ranked project. The following process will be utilized to recommend proposals for funding:

1. A scoring committee will score proposals using the scoring criteria described in Attachments 14 and 15.
2. The scoring committee may conduct optional interviews with applicants for clarification purposes.

3. A minimum score of 14 points (70 percent of the total possible 20 points) on criterion **one (1)** and a minimum total score of 70 points (out of 100 points possible points) for all the criteria in Attachment 14 or Attachment 15, as applicable, is required to be eligible for funding.
4. Proposals receiving a score of 70 or higher will be ranked according to their scores. Proposals will be recommended for funding, starting from the top of the list. The scoring committee will submit the ranked list to the Energy Commission Commissioner responsible for Research, Development and Demonstration, and Executive Director or designee. The Executive Director or designee will recommend the proposals to be funded and direct staff to issue a Notice of Proposed Awards (NOPA).
5. The Energy Commission reserves the right, at its sole discretion, to allocate any additional funds in order to fund additional passing proposals.
6. The Energy Commission reserves the right to negotiate with Applicants to modify the proposal scope, level of funding, or both.
7. If the Energy Commission is unable to successfully negotiate and execute a funding agreement with an Applicant, the Energy Commission, at its sole discretion, reserves the right to cancel the pending award and fund the next highest ranked eligible proposal.
8. Proposals recommended for funding will be scheduled and considered at an Energy Commission Business Meeting.
9. A Grant Agreement including applicable Grant Terms and Conditions (www.energy.ca.gov/contracts/index.html) will be sent to the Recipient(s) for review, approval, and signature.
10. Once returned to the Energy Commission, the Energy Commission will fully execute the Grant Agreement. Recipients are approved to begin the work only after full execution of the Grant Agreement.

MINIMUM SCREENING CRITERIA

STAGE 1 FOR ALL GROUPS, EXCEPT AS NOTED (see Attachment 16)

Proposal Screening Criteria – Pass/Fail The Proposal must pass ALL criteria to progress to the scoring stage.	Pass/Fail
1. The applicant (prime contractor) has research tasks that will be conducted by its employees.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
2. PON Application Form (Attachment 1) The form contains the required information, including addendums (as applicable)	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
3. Executive Summary: Maximum four (4) pages. Refer to Section III for required information.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
4. Proposal Narrative: Maximum fifteen (15) pages. Refer to Section III for required information.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
5. Scope of Work (SOW) and Budget: Must be completed as per templates provided in Attachments 3 and 5.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

Proposal Screening Criteria – Pass/Fail The Proposal must pass ALL criteria to progress to the scoring stage.		Pass/Fail
6. Schedule of Products and Due Dates: Must be prepared as per Attachment 4.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	
7. End Date: as applicable, electricity benefits work tasks in projects must be completed by March 31, 2015. All other projects must be completed by March 31, 2017.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	
8. For Group B Projects: Proposed demonstration site(s) must be identified with location and partners. Demonstration sites are in California and in an IOU service territory. Letter(s) of support from the demonstration partner(s) indicating their level of commitment, including monetary commitment, must be included in the proposal. Measurement and verification plan is included, as applicable.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	
9. Travel Costs: Any travel to meetings such as conferences, workshops, seminars, and symposiums must be paid for with match funds or out-of-pocket funds, and cannot be paid for with PIER funds.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	
10. Match Funding (For Group B Projects): Refer to Attachment 15, criterion 8: Certify on the PON Application that the proposal provides a minimum match of 40% of the incremental project cost	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	
11. California Based Entities (CBE): Certify on the PON Application Form (Attachment 1) that at least 60% of the PIER funds will go to California-based entities and/or government entities located and operating in California. The CBE Form is filled out completely (Attachment 13) for each CBE.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	
12. Percentage of PIER funds to be spent in California: Certify on the PON Application Form (Attachment 1) that a minimum 60% of the PIER funds will be spent in California.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	
13. PIER Grant Terms and Conditions: Certify on the PON Application Form (Attachment 1) that the Applicant will accept the PIER Grant Terms and Conditions	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	
14. Signature of Authorized Representative: Proposal must be signed by an authorized person (one who can execute any agreement resulting from this solicitation). Authorized representative signature on the PON Application Form (Attachment 1)	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	
15. Confidential Information: The Proposal does not contain confidential information.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail	

SCORING SCALE

Using this Scoring Scale, the Evaluation Committee will give a score for each criterion described in the Evaluation Criteria Worksheet (see Attachments 14 and 15). The percent of possible points will be multiplied by the possible points of each criterion to arrive at a score for each criterion. Scores from all evaluators will be averaged to arrive at a final score for each criterion. All average scores will be summed to arrive at the final score for the proposal.

% of Possible Points	Interpretation	Explanation for Percentage Points
0%	Not Responsive	Response does not include or fails to address the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable.
25%	Minimally Responsive	Response minimally addresses the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable.
50%	Inadequate	Response addresses the requirements being scored, but there are one or more omissions, flaws, or defects or the requirements are addressed in such a limited way that it results in a low degree of confidence in the proposed solution.
70%	Adequate	Response adequately addresses the requirements being scored. Any omission(s), flaw(s), or defect(s) are inconsequential and acceptable.
80%	Good	Response fully addresses the requirements being scored with a good degree of confidence in the Applicant's response or proposed solution. No identified omission(s), flaw(s), or defect(s). Any identified weaknesses are minimal, inconsequential, and acceptable.
90%	Excellent	Response fully addresses the requirements being scored with a high degree of confidence in the Applicant's response or proposed solution. Applicant offers one or more enhancing features, methods or approaches exceeding basic expectations.
100%	Exceptional	All requirements are addressed with the highest degree of confidence in the Applicant's response or proposed solution. The response exceeds the requirements in providing multiple enhancing features, a creative approach, or an exceptional solution.

NOTICE OF PROPOSED AWARD

The results of the Energy Commission's decision of proposed funding level, the rank order of proposers, and the amount of each proposed award will be posted in a Notice of Proposed Awards (NOPA). The Commission will post a NOPA at the Commission's headquarters in Sacramento and on the Commission's website, and will mail the NOPA to all parties that submitted an application.

DEBRIEFINGS

Unsuccessful Applicants may request a debriefing after the release of the NOPA. A request for debriefing must be received no later than 15 days after the NOPA is released.

V. Administration

PON DEFINED

The competitive method used for this funding opportunity is a Program Opportunity Notice (PON). An Application submitted in response to this PON will be scored and ranked based on the Evaluation Criteria.

DEFINITION OF KEY WORDS

Important definitions for this PON are presented below:

Word/Term	Definition
State	State of California
Energy Commission	California Energy Commission
PON	Program Opportunity Notice, this entire document
Application	Formal written response to this document from Applicant
Applicant	Respondent to this PON
CAM	Commission Agreement Manager
GO	Grants Officer

COST OF DEVELOPING APPLICATION

The Applicant is responsible for the cost of developing an application, and this cost cannot be charged to the State.

CONFIDENTIAL INFORMATION

No confidential information will be accepted during the proposal and selection phase of this solicitation. If any confidential information is submitted, the entire proposal will be rejected and will not be eligible for funding. Proposals containing confidential information will be returned to the Applicant.

While discouraged, Applicants may **propose** to deliver confidential products during the course of the project if their grant is awarded. If necessary, approval and instructions for submitting confidential products will be provided by the Energy Commission prior to executing the Grant Agreement.

PON CANCELLATION AND AMENDMENTS

It is the policy of the Energy Commission not to solicit proposals unless there is a bona fide intention to award an Agreement. However, if it is in the State's best interest, the Energy Commission reserves the right to do any of the following:

- Cancel this PON;
- Revise the amount of funds available under this PON
- Amend this PON as needed; or
- Reject any or all Applications received in response to this PON

If the PON is amended, the Energy Commission will send an addendum to all parties who requested the PON and will also post it on the Energy Commission's Web Site www.energy.ca.gov/contracts.

ERRORS

If an Applicant discovers any ambiguity, conflict, discrepancy, omission, or other error in the PON, the Applicant shall immediately notify the Commission of such error in writing and request modification or clarification of the document. Modifications or clarifications will be given by written notice of all parties who requested the PON, without divulging the source of the request for clarification. The Commission shall not be responsible for failure to correct errors.

MODIFYING OR WITHDRAWAL OF APPLICATION

An Applicant may, by letter to the Contact Person at the Energy Commission, withdraw or modify a submitted Application before the deadline to submit applications. Applications cannot be changed after that date and time. An Application cannot be "timed" to expire on a specific date. For example, a statement such as the following is non-responsive to the PON: "This application and the cost estimate are valid for 60 days."

IMMATERIAL DEFECT

The Energy Commission may waive any immaterial defect or deviation contained in an Applicant's application. The Energy Commission's waiver shall in no way modify the application or excuse the successful Applicant from full compliance.

DISPOSITION OF APPLICANT'S DOCUMENTS

On the Notice of Proposed Award posting date all applications and related material submitted in response to this PON become a part of the property of the State and public record. Applicants who want any work examples they submitted with their applications returned to them shall make this request and provide either sufficient postage, or a Courier Charge Code to fund the cost of returning the examples.

APPLICANTS' ADMONISHMENT

This PON contains the instructions governing the requirements for a firm quotation to be submitted by interested Applicants, the format in which the technical information is to be submitted, the material to be included, the requirements which must be met to be eligible for consideration, and Applicant responsibilities. Applicants must take the responsibility to carefully read the entire PON, ask appropriate questions in a timely manner, submit all required responses in a complete manner by the required date and time, make sure that all procedures and requirements of the PON are followed and appropriately addressed, and carefully reread the entire PON before submitting an application.

GROUND TO REJECT A APPLICATION

An Application shall be rejected if:

- It does not pass all elements required in the minimum screening criteria.
- It is received after the exact time and date set for receipt of applications as identified in Section 1 (Public Contract Code, Section 10344).
- It contains false or intentionally misleading statements or references which do not support an attribute or condition contended by the Applicant.

- The Application is intended to erroneously and fallaciously mislead the State in its evaluation of the Application and the attribute, condition, or capability is a requirement of this PON.
- It contains confidential information.
- The Applicant does not agree to the terms and conditions as attached to the solicitation either by not signing Attachment 1 or by stating anywhere in the bid that acceptance is based on modifications to those terms and conditions or separate terms and conditions.
- The Application Form (Attachment 1) and Attachment B-2 of the Budget Forms (Attachment 5) do not document how at least 60% of PIER funds will be allocated to CBEs and/or government entities located and operating in California.
- The Application Form (Attachment 1) and Attachment B-2 of the Budget Forms do not document how at least 60% of PIER funds will be spent in California in accordance with the budget instructions.
- The firm or individual has submitted multiple applications for Groups A or B.
- A major subcontractor is on multiple teams for the same tasks and projects.
- The Applicant requests PIER funds travel to meetings such as conferences, workshops, seminars, and symposiums.

An Application may be rejected if:

- If it exceeds the 70-page limit
- It is not prepared in the mandatory format described.
- It is unsigned.
- It does not literally comply or contains caveats that conflict with the PON and the variation or deviation is not material, or it is otherwise non-responsive.
- The bidder has previously completed a PIER agreement, received the PIER Royalty Review letter, which the Commission annually sends out to remind past recipients of their obligations to pay royalties, and has not responded to the letter or is otherwise not in compliance with repaying royalties.
- The budget forms are not filled out completely.

AGREEMENT REQUIREMENTS

The content of this PON shall be incorporated by reference into the final agreement. See the sample Agreement terms and conditions included in this PON.

The Energy Commission reserves the right to negotiate with Applicants to modify the project scope, the level of funding, or both. If the Energy Commission is unable to successfully negotiate and execute a funding agreement with an Applicant, the Energy Commission, at its sole discretion, reserves the right to cancel the pending award and fund the next highest ranked eligible project.

The Grant Agreement will be scheduled and heard at an Energy Commission Business Meeting for approval.

Public agencies that receive funding under this solicitation must provide an authorizing resolution approved by their governing authority to enter into an Agreement with the Energy Commission and designating an authorized representative to sign.

The Energy Commission will send the approved Grant Agreement, including the general Terms and Conditions and any additional terms and conditions, to the grant recipient for review, approval, and signature. Once the grant recipient signs, the Energy Commission will fully execute the Grant Agreement. Recipients are approved to begin the project only after full execution of the Grant Agreement.

No Agreement Until Signed & Approved

No agreement between the Commission and the successful Applicant is in effect until the agreement is signed by the Recipient, approved at a Commission Business Meeting, and signed by the Energy Commission representative.

The Energy Commission reserves the right to modify the award documents prior to executing the Agreement.

Agreement Amendment

The agreement executed as a result of this PON will be able to be amended by mutual consent of the Commission and the Recipient. The agreement may require amendment as a result of project review, changes and additions, changes in project scope, or availability of funding.

The Energy Commission reserves the right to cancel or amend this solicitation. It is the policy of the Energy Commission not to solicit proposals unless there is a bona fide intention to award an Agreement. The Energy Commission reserves the right to do any of the following:

- Cancel this solicitation.
- Revise the amount of funds available under this solicitation.
- Amend or revise this solicitation as needed.
- Reject any or all proposals received in response to this solicitation.

PAYMENT OF PREVAILING WAGES

Some projects submitted under this solicitation might be considered public works pursuant to the California Labor Code. If the project includes public works, prevailing wage is required. The California Department of Industrial Relations (DIR) has jurisdiction to decide whether a particular project is or is not a public work. If the proposed project involves construction, alteration, demolition, installation, repair or maintenance work, it probably will be considered by DIR to be a public work. Examples of the activities that would probably lead DIR to find that the project involves public works include: cement work, surveying, site preparation such as grading, electrical work such as wiring, and carpentry work. Certain workers are entitled to prevailing wage such as equipment operators, surveyors, carpenters, laborers, etc. However, some other trades are not entitled to prevailing wage, such as engineers and project superintendents.

Applicants are encouraged to determine if the proposed project involves public works as soon as possible. In order to determine if the proposed project involves public works, Applicants should contact DIR. If the Applicant has not received a determination from DIR that the project is not a public work, proposed project budgets must provide for the payment of prevailing wages. Please indicate whether the proposed budget includes prevailing wage.

If the proposed project is a public work, DIR maintains a list of covered trades and the applicable prevailing wage. The agreement will include the requirements for public works, such as paying prevailing wage, keeping payroll records, complying with working hour requirements, and apprenticeship obligations. See the Special Condition (Attachment 7) regarding prevailing wage and the accompanying forms (Attachments 8 and 9) for more information.